

Commonwealth of Virginia
Department Alcoholic Beverage Control

SWAM Purchasing Plan Due Date:

October 1, 2004

Projection Plan – FY 2005

Department of Alcoholic Beverage Control

A. Designation of Diversity Champion:

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Please provide the following information:

B. Describe the agency's purchasing process:

The Department of Alcoholic Beverage Control is governed by a three-member board that is appointed by the Governor and reports to the Secretary of Public Safety. These positions are responsible for the broad policy development and the final adjudication of application and disciplinary proceedings. In addition, the Chairman directly supervises the Internal Audit, Public Affairs, Board Administration, and Hearing and Appeals functions.

A Chief Operating Officer is utilized for day-to-day management of the agency. This position has oversight of Wholesale/Retail Operations, Enforcement, Human Resources, and the Bureau of Administration and Technology that includes the divisions of Policy, Analysis & Support Services, Financial Management Services, Property Management Services, and Information Technology Services. The purchasing function is contained within the Policy, Analysis & Support Services division.

The Agency consists of one central office, nine regional offices and approximately 300 retail stores located throughout the Commonwealth. We currently utilize a combination of Centralized and De-Centralized Purchasing to accommodate these facilities. The Centralized Procurement Staff serves as the 1) primary buyer of goods and services for the agency, 2) source for technical assistance for end-users, and 3) coordinator of agency activities related to the utilization of small, women-owned, and minority-owned businesses. In the role of buyer, the purchasing professional actively solicits the participation of small, women-owned, and minority-owned businesses in accordance with state and

agency policy. In the role of technical advisor, the purchasing professional works with end-users to identify small, women-owned, and minority-owned businesses for spot purchase requirements. As the coordinator of agency activities, the Purchasing Section serves as the contact point with the Department of Minority Business Enterprise for developing plans and reporting performance. This section maintains various service contracts including, but not limited to, Janitorial, Pest Control, Refuse Service, Snow Removal and Lawn Maintenance. Goods purchases include commodities such as: Office Supplies and Equipment, Computer Supplies, Retail Store Fixtures (counters and shelving), Hardware, Warehouse Equipment, Lighting, etc.

Many divisions within the Department have staff delegated with the authority to purchase goods and services under the single quote limit. Staff in these positions is required to solicit a minimum of one minority/women owned business for each purchase. In this case, the Purchasing Section is not involved in any part of the transaction; however, they are available to provide advice and assistance when needed.

The Agency policy concerning procurement activities serves as the primary guideline for all agency purchasing activities. The Department utilizes a policy that is consistent with the requirements of the Agency Procurement and Surplus Property Manual for the solicitation of small, women-owned and minority businesses. This policy is provided to all employees with purchasing responsibilities and is available electronically to all employees.

The Purchasing Department of Alcoholic Beverage Control supports the Governor's direction of utilizing eVA and providing "[one electronic procurement face](#)" as required by the *Code of Virginia* §2.2-4301.

All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service, and complete the Ariba Commerce Services Network registration.

Vendors are required to register prior to submitting a bid or offer. Failure to register will result in the bid being found non-responsive and rejected. All vendors must register in both the eVA and the Ariba Commerce Services Network Vendor Registration Systems.

1. All employees with purchasing responsibility who are involved in procurement decisions for goods and services are expected to notify and give every consideration to using qualified, small, women-owned and minority (SWAM) suppliers in a manner that is consistent with state and federal laws and regulations. The Department of Minority Business Enterprise website with search

capabilities for SWAM vendors is provided to all employees involved in purchasing.

Whenever the agency engages in a solicitation or request for quotes, it will include enterprises selected from the list of certified minority business enterprises (MBE) maintained on the DMBE web site, www.dmbv.virginia.gov. Where there is adequate registration in the commodity:

- A. Quotes up to \$5,000 shall be solicited from a minimum of one (1) minority or women-owned business.
- B. Solicitations over \$5,000 to \$50,000, solicit four (4) sources, including a minimum of two (2) minority or women-owned businesses in writing or electronically. Quick Quotes shall be utilized for bids or quotes from \$5,000 to \$50,000.
- C. Solicitation over \$50,000, solicit six (6) sources, including a minimum of four (4) minority or women-owned business. Sealed bids or proposal shall include businesses selected from a list made available by the Department of Minority Business Enterprise (Code of Virginia, § 2.2-4310A), and they shall be identified as minority vendors on the vendor mailing list.
- D. The Agency may set aside, in whole or in part, procurements valued at up to 15 percent of their discretionary procurement funds exclusively for small businesses, based on their certification as such by the Department of Minority Business Enterprise (which may include women and/or minority owned businesses if also designated as small businesses).

If adequate registration in the commodity required is not available, the procurement file will be documented with the efforts made to include the appropriate number of SWAM businesses. Solicitation of SWAM-owned businesses should not be construed as authorizing or directing the exclusion of non-SWAM-owned businesses; rather, the purpose is to include as many qualified businesses as possible.

2. **Award to Other than the Lowest Priced Bidder or Highest Ranking Offeror.** Procurements up to \$100,000 that require solicitation of multiple vendors will be awarded to a reasonably priced or reasonably ranked minority or woman-owned bidder or Offeror that is other than the lowest priced bidder or highest-ranking Offeror in accordance with this Plan.

For Bids:

Intended for fairness to bidders, in addition to financial feasibility for the agency, reasonably priced will be determined by utilizing a graduated scale as shown below.

- Awards under \$20,000 – within 10% on the lowest responsive and responsible bidder

- Awards over \$20,000 to \$30,000 – within 8% of the lowest responsive and responsible bidder
- Awards over \$30,000 to \$50,000 – within 7% of the lowest responsive and responsible bidder
- Awards over \$50,000 to \$75,000 – within 6% of the lowest responsive and responsible bidder
- Awards over \$75,000 to \$100,000 – within 5% of the lowest responsive and responsible bidder

For Request For Proposals:

Similarly, reasonably ranked will be defined as a final ranking within 5 points of the highest ranked responsible Offeror.

C. Describe the agency's/institution's business outreach program (DMBE, DBA, and DGS are available to provide assistance):

EVA-Primary, Agency Website, Mini Trade Fair, VMSDC-Biz Board, VBOF

The Department will actively solicit the participation of small, women-owned and minority-owned businesses. These activities include: membership in the Virginia Minority Supplier Development Council, participation in the Virginia Business Opportunity Fair, and participation in the vendor exposition coordinated by the Department of General Services. In addition, the agency will hold its own event designed to promote agency contacts with vendors at least every two years to promote and assist with SWAM registration.

All solicitations with advertising requirements will utilize sources generally circulated to the small, women-owned and minority community along with notification through eVA. In addition, the agency uses its own web site for advertising solicitations.

The Department has developed a brochure that highlights typical purchases and key contact personnel. The Purchasing Section also encourages known non-registered SWAM vendors to register with DMBE, and offers to provide assistance to these vendors in obtaining their registration.

D. Describe race and gender-neutral options used by the agency to promote greater women and minority business participation:

- The Agency shall evaluate the possibility of unbundling large contracts to increase the pool of potential bidders to include SWAM vendors, and will unbundle these contracts when feasible.
- All purchases under \$5,000 shall solicit at least one M/W vendor.
- Award to a reasonably priced M/W Vendor that is other than the lowest priced vendor when such purchases are made in accordance with this SWAM Procurement Plan.
- The Agency shall adhere to Virginia's Prompt Payment Law and to promote and encourage their prime contractors to provide prompt payment to subcontractors.

- Notice of Contract Opportunities – post all contracts with expiration dates on agency website which links from DMBE and eVA.

E. List process and procedures for monitoring the agency's/institution's SWAM purchases. Specify:

Quarterly Reports-SWAM, AMEX and eVA

- 1. Name of person responsible for monitoring agency SWAM purchases,**
Debra C. Corley
- 2. Specific points in the internal purchasing process where review for SWAM is completed.**
Monthly AMEX Logsheet review of transaction audits
Quarterly SWAM Reports
- 3. Process for reviewing purchases in all agency regional or area facilities.**
Logsheets, eVA generated reports and AMEX transaction audits.
- 4. Spending levels that the agency/institution sets for automatic review for SWAM participation.**

F. Describe how the agency/institution plans to verify Second-Tier (SubContracting) participation.

Second-Tier Reports provided by Contracted vendor

G. List projected SWAM (Prime) aspirational goals/dollar value for the following purchasing categories:

	Small	Women-Owned	Minority-Owned
Construction	-----	-----	-----
Architecture & Engineering & Professional Services	-----	-----	\$5,000 - \$10,000
Other Services, Goods & Supplies	\$1,890,000	\$900,000	\$275,000

H. List projected Second-Tier (Sub-Contracting) aspirational goals/dollar value for the following purchasing categories:

	Small	Women-Owned	Minority-Owned
Construction	-----	-----	-----
Architecture & Engineering	-----	-----	-----
Other Services	-----	-----	-----

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Warren E. Barry
Commissioner